

Operator BROHM MINING CORP.
Op ID 90
Permit No. 462
County Lawrence
Township-Range T4N-R4E
Legal Sections 4, 5, 6, 7, 8, 9; T4N-R4E

Report due: January 1, 1999

INSTRUCTIONS:

- A) All blanks must be completed. Please be as accurate as possible.
B) Attach a map (not larger than 1:25,000 scale; hand drawn is acceptable if legible) showing all reclamation accomplished and any changes from the originally approved operating and reclamation plans.
C) Attach a check or money order made payable to the South Dakota Department of Environment and Natural Resources in the amount of \$100 for a Large Scale Mining Permit.
D) Sign, date, and return this form, the fee, and the map to the Minerals and Mining Program prior to January 1.

- 1) Total acres affected since permit was issued _____
2) Acres affected since January 1 of past year _____
3) Total surface mining acres disturbed since permit was issued _____
4) Surface mining acres disturbed since January 1 of past year _____
5) Total acres that have undergone interim reclamation since permit was issued _____
6) Acres that have undergone interim reclamation since January 1 of past year _____
7) Enter the final reclamation acreage information for each area of your mine site under final reclamation in Table 1. Please refer to the enclosed instruction sheet.
8) Acres under reclamation that have been graded but not seeded _____
9) Gallons of ground water withdrawn since January 1 of past year _____
10) Gallons of surface water withdrawn since January 1 of past year _____
11) Tons of ore mined since January 1 of past year _____
12) Tons of ore processed since January 1 of past year _____
13) Tons of overburden/waste rock mined since January 1 of past year _____
14) Ounces of gold produced since January 1 of past year _____
15) Ounces of silver produced since January 1 of past year _____
16) Pounds of cyanide used since January 1 of past year _____
17) Briefly discuss the operational plans for the upcoming year and include any anticipated revisions that might require Department or Board approval.

Signature: _____ Date: _____
Title: _____
Mailing Address: _____ Phone: _____

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TABLE 1 - FINAL RECLAMATION ACREAGE WORKSHEET

[illegible]

South Dakota



**BOARD OF MINERALS
AND ENVIRONMENT**

523 EAST CAPITOL AVENUE
PIERRE, SOUTH DAKOTA 57501-3181
(605) 773-3151 FAX: (605) 773-6035

AGENDA

Meeting of the
Board of Minerals and Environment
Rapid City, South Dakota

October 14 and 15, 1998

Wednesday, October 14, 1998 – 10:00 a.m. MDT

- 10:00 a.m. – Arrive Rapid City - Call to order and roll call.
- 10:30 a.m. – Tour Pete Lien and Sons, Inc. operations.
- 12:00 noon – Lunch break.
- 1:00 p.m. – Travel to Belle Fourche.
- 2:00 p.m. – Tour American Colloid operations.
- 5:00 p.m. – Adjourn.

Thursday, October 15, 1998 – 8:00 a.m. MDT

- 8:00 a.m. – Tour Homestake operations.
- 11:30 a.m. – Lunch break.
- 12:30 p.m. – Travel to Custer.
- 2:00 p.m. – Terry Springer amphibolite mine.
- 3:00 p.m. – Tour Pacer mines – Kitty mine and Brite-X mine.
- 5:00 p.m. – Adjourn.

Note: Scheduled times are estimates only. Some items may be delayed due to prior scheduled items, or may be moved up on the agenda.

South Dakota



**BOARD OF MINERALS
AND ENVIRONMENT**

523 EAST CAPITOL AVENUE
PIERRE, SOUTH DAKOTA 57501-3181
(605) 773-3151 FAX: (605) 773-6035

AGENDA

Meeting of the
Board of Minerals and Environment
Matthew Environmental Education and Training Center
523 East Capitol Avenue
Pierre, South Dakota

10:00 a.m. CDT
September 17, 1998

1. Call to order and roll call.
2. Approval of minutes from August 20, 1998 meeting.
3. 10:00 a.m. – Surface mining issues (bond releases, transfer of surety, etc.).
4. 10:15 a.m. – In the matter of the application of Luff Exploration Company, Denver, Colorado, for a directional drilling permit for the 41-22 Otterness Well located in Harding County – Case No. 2-98.
5. 11:00 a.m. – In the matter of the application of Peter K. Roosevelt, Denver, Colorado, for an order establishing the Alkali Creek Field, a new field for the production of oil and gas in Fall River County – Case No. 3-98.
6. 11:45 a.m. – Other items of business.
7. 12:00 noon – Adjournment.

Minutes of the
Board of Minerals and Environment Meeting
Matthew Environmental Education and Training Center
523 East Capitol Avenue
Pierre, South Dakota

10:00 a.m. CDT
August 20, 1998

CALL TO ORDER AND ROLL CALL: The meeting was called to order by Chairman Richard Sweetman. Secretary Kathy Johnson noted that a quorum was present.

BOARD MEMBERS PRESENT: Richard Sweetman, Lee McCahren, Kathy Johnson, Wilbert Blumhardt, Linda Hilde, Pat Healy, Brian Radke, and Chuck Monson.

BOARD MEMBERS ABSENT: None.

OTHERS PRESENT: See attached attendance sheet.

APPROVAL OF MINUTES FROM JUNE 18, 1998, MEETING: Chairman Sweetman pointed out the following change: page 4, paragraph 8, fourth line – put a period after “cyanide,” delete “then,” and capitalize “They.” It now reads, “It is added to the neutralization pond to kill the cyanide. They use that solution to flush the cyanide out of the heaps.”

Motion by Monson, seconded by Healy, to approve the minutes, as amended. Motion carried.

SURFACE MINING ISSUES: Brian Radke administered the oath to Mike Cepak who testified regarding releases of liability & surety, transfers of liability & releases of surety, acceptance of surety, acceptance of surety riders, and exchanges of surety (see attached matrix sheet).

Motion by Healy, seconded by Hilde, to release liability and \$6,336 for Luff Exploration Company, Denver, CO, EXNI-391, Harding County. Motion carried.

Motion by Radke, seconded by Hilde, to approve the following transfers of liability and releases of surety: transfer a site in Butte County from Dakota Redi-Mix, Inc., Gillette, WY, Mine License No. 97-625 to Butte County Highway Department, Belle Fourche, SD, Mine License No. 83-6 and release \$2,000 to Dakota Redi-Mix; transfer a site in Custer County from Harold A. Wheeler, Custer, SD, Mine License No. 94-519 to Pacer Corporation, Custer, SD, Mine License No. 88-370 and release \$500 to Harold A. Wheeler; transfer a site in Meade County from Aggregate Construction, Inc., Minot, ND, Mine License No. 89-382 to Nissen Brothers, Piedmont, SD, Mine License No. 92-449; transfer a site in Roberts County from Art Argo & Sons, Inc., Peever, SD, Mine License No. 83-180 to Marak Nelson, Sisseton, SD, Mine License No. 98-653; transfer liability on two sites in Butte County from Charles F. Watson, Belle Fourche, SD, Mine License No. 83-85 to Butte County Highway Department, Belle Fourche, SD, Mine License No. 83-6; transfer liability on one site in Perkins County from Harding County Highway Department, Buffalo, SD, Mine License No. 83-66 to Fisher Sand & Gravel Company,

Dickinson, ND, Mine License No. 83-54; transfer liability on one site in Perkins County from Perkins County Highway Department, Bison, SD, Mine License No. 83-91 to Fisher Sand & Gravel Company, Dickinson, ND, Mine License No. 83-54; transfer liability on one site in Perkins County from DOT - Rapid City Region, Rapid City, SD, Mine License No. 83-10 to Fisher Sand & Gravel Company, Dickinson, ND, Mine License No. 83-54. Motion carried.

Motion by Monson, seconded by Blumhardt, to approve releases of liability for Harding County Highway Department, Buffalo, SD, Mine License No. 83-66, Harding County; Pennington County Highway Department, Rapid City, SD, Mine License No. 83-45; Lawrence County; and City of Sturgis, Sturgis, SD, Mine License No. 92-432, Meade County. Motion carried.

Motion by Blumhardt, seconded by Healy to approve the following: Quinn Construction, Rapid City, SD, Mine License No. 95-535, accept Surety No. 55-170049 in the amount of \$2,500; Clausen Construction, Inc., Clark, SD, Mine License No. 83-15, accept rider adding legal description of E1/2 SW1/4 & W1/2 SE1/4 Section 27; T118N-R54W, Codington County; Russell Hanks, Miller, SD, Mine License No. 83-86, accept rider increasing surety to \$1,000; Lien Transportation Company, Aberdeen, SD, Mine License No. 84-257, accept rider adding legal description of NW1/4 Section 12; T122N-R53W and E1/2 of NE1/4 Section 11; T122N-R53W SW1/4 of NE1/4 Section 11; T122N-R53W S1/2 of NW1/4 Section 11; T122N-R53W NW1/4 of SW1/4 Section 11; T122N-R53W, Day County; Loiseau Construction, Inc., Flandreau, SD, Mine License No. 98-651, accept rider increasing surety amount to \$4,000 and adding legal description of W1/2 Section 9; T124N-R54W, Day County; Rechnagel Construction, Inc., Hurley, SD, Mine License No. 83-135, accept rider correcting legal description to W1/2 NW1/4 Section 5; T97N-R58W, Hutchinson County; S&H Construction, Clark, SD, Mine License No. 83-178, accept rider changing the name of the principal from Gerald Hartley & Glen Schultz dba S&H Construction to Gerald Hartley, Glen Schultz, and Terry Kloster dba S&H Construction; Ogan Construction, Blunt, SD, Mine License No. 95-538, exchange CD Nos. 71051021, 71051022, 71051025, & 71051026 for Surety No. 55-171516, United Fire & Casualty Company, in the amount of \$10,000; and Van Zee Gravel & Construction, Platte, SD, Mine License No. 83-223, exchange CD No. 52801 for CD No. 53195, Community First State Bank, in the amount of \$20,000. Motion carried.

PUBLIC HEARING ON PROPOSED RULES ARSD 74:27:22, COLLECTION,
TRANSPORTATION, STORAGE AND PROCESSING OF WASTE TIRES: Chairman
Sweetman opened the hearing at 10:20 a.m. CDT.

The purpose of the hearing was to consider adoption of proposed new rules ARSD 74:27:22:01 through ARSD 74:27:22:06. The effect of the rules is to set forth requirements and procedures for department approval of waste tire collection and processing sites, and identify approved uses of waste tires. The reason for the proposed new rules is to ensure that waste tires are managed properly.

Vonni Kallemeyn reported that prior to publishing notice of the hearing, a copy of the proposed rules was mailed to 11 individuals and associations that may have an interest in the rules.

Notice of the public hearing was published in the Sioux Falls Argus Leader, Rapid City Journal, Aberdeen American News, and Pierre Capital Journal. Seven individuals requested a copy of the proposed rules as a result of the public notice. No written comments were received regarding the proposed rules.

Ms. Kallemeyn noted that the Legislative Research Council (LRC) approved the proposed rules for legality. LRC also made style and form changes, which will be incorporated into the final version of the rules.

Ms. Kallemeyn reported that Senate Bill 30 was passed by the 1998 Legislature and became effective July 1, 1998. The bill gave the Board of Minerals and Environment authority to promulgate rules setting forth requirements and procedures for department approval of waste tire collection and processing sites, and approval of uses for waste tires. The statute allows the state to take civil action for a civil penalty and cost recovery for cleanup of waste tires, if the transporter intentionally disposes of any waste tire at a site that is not permitted or the use is not approved. This places the responsibility of proper disposal/use on the transporter as well as the landowner.

Ms. Kallemeyn provided the following discussion on the proposed rules.

74:27:22:01 – Definitions

Passenger tire equivalent - This definition comes out of a publication called "Scrap Tire and Rubber Recycling Terminology" and is commonly used nation-wide as the scrap tire industry's definition. Ms. Kallemeyn noted that the average weight of one waste passenger tire is equal to 20 pounds; a semi tire is five times the weight of a passenger tire; a pickup truck tire is about two times the weight of a passenger tire.

Waste tire generator – This definition includes both auto salvage operations and operations in the business of buying, selling, or trading tires.

Waste tire hauler – The definition of a waste tire hauler is anyone who transports more than 20 waste passenger tires or passenger tire equivalent weight of other waste tires or transports more than 100 passenger tire equivalent within a 12 month period. Ms. Kallemeyn noted that one pickup load of tires is about 20 passenger tires.

74:27:22:02 – Transportation of waste tires to a permitted or approved facility

This section states that waste tires must be transported to a permitted solid waste facility in South Dakota or can be taken to a person using them as long as the use of the waste tire is approved. Ms. Kallemeyn noted that many tires are taken to another state for processing. She said the department does not want the waste tires from South Dakota going to an out-of-state facility that is not permitted or approved by that state. The waste tire hauler has the responsibility of proper disposal/use along with the facility or person accepting the waste tires.

74:27:22:03 – A list of permitted or approved sites maintained by the department

This section requires the department to maintain a list of approved uses and permitted or approved facilities. It also provides criteria for the department to add or remove sites or uses from the list. Ms. Kallemeyn read the proposed criteria into the record.

74:27:22:04 – Use of waste tires for structural or construction purposes

This section allows the use of waste tires for construction as long as it is on the approved list, but limits the amount of time to complete the construction. Examples listed include windbreaks, fences, retaining walls, houses, barns, or other structures. The section also states that if a structure starts to come apart, the tires must be disposed of properly or used for an approved use. Ms. Kallemeyn noted that baled tires can also be a problem if they do not have an end use. Baled tires are considered waste tires until they have been approved for use by the department.

74:27:22:05 – Approved uses for waste tires

Ms. Kallemeyn stated that the department does not want to discourage the legitimate use of waste tires for agricultural or household uses. The use of waste tires for construction purposes is allowed if the use is approved and if it is constructed within six months. Examples listed include tarp weights, water tanks, feed bunkers, swings, flower planters, or sandboxes.

74:27:22:06 – On-site storage of waste tires at a waste tire generator's facility

This section allows generators to store up to 500 tires on-site for one year or less without obtaining a solid waste permit. A 50-foot fire lane must surround the tires, open flames may not be used within 300 feet of the tire pile, and the tire pile must be maintained free of mosquitoes and rodents.

This concluded Ms. Kallemeyn's discussion on the proposed rules.

Chairman Sweetman asked how a use gets placed on the list. Ms. Kallemeyn answered that the department will add or remove approved uses from the list based on the criteria in 74:27:22:03.

Chairman Sweetman asked what an individual would have to do to get a use placed on the list. Ms. Kallemeyn stated that the individual would have to request the department put that use on the list. The department will determine whether or not it is a legitimate use.

Chairman Sweetman asked what would happen if someone had a use that he felt was legitimate but the department disagreed. Is there any appeal process or a procedure to introduce this potential use onto the list? Ms. Kallemeyn said the person could petition the department or the board to place the use on the list. She suggested adding language stating that a person may petition the department or the board to have a use added or removed from the department's list.

Chairman Sweetman asked if there is a remedy for an appeal to the decision that is made? Charlie McGuigan, Assistant Attorney General, stated that once it goes before the board, it can

be appealed to the circuit court. He suggested adding language stating that a person who is not satisfied with the department's decision may appeal to the board pursuant to 74:09.

Referring to 74:27:22:06, Mr. Healy said one pay loader tire could be equivalent to 600 passenger tires. Board discussion took place regarding changing this section.

Chairman Sweetman suggested the following language for 74:27:22:06: The on-site storage of less than 500 waste passenger tires, 500 passenger tire equivalents, or 10 individual tires of any size at a waste tire generator's facility may be conducted without a permit if the requirements found in 74:27:13:17.01 (2), (4), (5), and (6) are met.

Chairman Sweetman requested public comments on the proposed rules.

Bob Wegner, New Deal Tire, Groton, SD, said tire haulers need to be licensed by the state. He said tire haulers in North Dakota, Minnesota, Iowa and Nebraska have to be licensed. Some states also require a financial assurance package.

Mr. Wegner said if 74:27:22:06 contained language such as 10 larger tires, tractor tires, OTRs, and earth mover, that would cover the larger size tires without having to go into passenger tire equivalents.

Mr. Wegner said he believes the waste tire legislation is reactive rather than proactive.

Deborah Barton, Rapid City, SD, commented that 74:27:22:04 1) requires that a construction project be completed within six months of receiving the first load of tires. She stated that six months is too short a time period for completion of the project.

Ms. Kallemeyn stated that the department would agree to adding the following language to 74:27:22:04: "A extension to the six month period of time can be granted by the department case by case based on extenuating circumstances."

Board discussion took place regarding the six-month completion period.

Mr. Radke said he believes six months is a reasonable time period for completion of a project.

Ms. Johnson said increasing the time period for completion to one year would not have serious consequences, and it could make it more convenient for people to actually make good use of waste tires. If the project goes beyond the one year a permit would be required. That in itself would discourage people from stockpiling waste tires.

Brenda Forman, SD Association of Cooperatives, requested that in 74:27:22:06, the on-site storage of less than 500 waste passenger tires or 500 passenger tire equivalents be changed to 700 waste passenger tires or 700 passenger tire equivalents.

Ms. Kallemeyn said the department would agree with that change.

This concluded public comments on the proposed rules.

Chairman Sweetman read the following proposed change to 74:27:22:06. "The on-site storage of less than 700 waste passenger tires, 700 passenger tire equivalents, or 10 individual tires of any size at a waste tire generator's facility may be conducted without a permit if the requirements found in 74:27:13:17.01 (2), (4), (5), and (6) are met."

Ms. Kallemeyn read the following proposed language to be added to 74:27:22:05. "A person may petition the department to have a use added or removed from the department's list. A person who is not in agreement with the department's decision may petition the board according to ARSD 74:09."

Board discussion took place on the proposed change to 74:27:22:06 regarding 10 individual tires. The board agreed that it should be changed to: "...700 waste passenger tires or 700 passenger tire equivalents or 10 tires whichever is the greatest weight..."

Mr. McCahren said the rules are legally deficient. He said 74:27:22:05 must contain a definitive list.

Mr. Radke said it is unconstitutional to delegate authority to the department to define the rules as they go along.

Ms. Kallemeyn suggested that the board approve the list as necessary.

Mr. McCahren said the list needs to be established today.

Ms. Kallemeyn suggested that the examples given in 74:27:22:04 and 74:27:22:05 be considered as the approved list. The board could consider changes to the list if someone requested it.

Mr. McCahren stated that in order to enforce the list, it has to be in rule.

Mr. McGuigan noted that the statute says the list has to be approved by the department.

Ms. Johnson suggested rather than having a list of uses in the rules, the rules could list the criteria the department would use in determining whether or not a use could be placed on the list.

Mr. McCahren suggested several changes to the proposed rules. Board discussion on proposed changes took place.

The board requested that during the lunch break, Ms. Kallemeyn rewrite the rules as discussed.

Following the break, the board reviewed the rewritten rules and made more changes.

Motion by McCahren, seconded by Healy to approve ARSD 74:27:22:01 through 74:27:22:05.
Motion carried.

The rules adopted by the board follow.

CHAPTER 74:27:22
COLLECTION, TRANSPORTATION, STORAGE AND PROCESSING OF WASTE TIRES

Section

- 74:27:22:01 Definitions.
- 74:27:22:02 Transportation of waste tires to a permitted or approved facility.
- 74:27:22:03 Use of waste tires for structural or construction purposes.
- 74:27:22:04 Approved uses for waste tires.
- 74:27:22:05 On-site storage of waste tires at a waste tire generator's facility.

74:27:22:01 Definitions. Words and phrases defined in SDCL chapter 34A-6 have the same meaning when used in this chapter. Terms used in this chapter mean:

(1) "Passenger tire equivalent," the weight of waste tires or parts of waste tires equivalent to the average weight of one waste passenger tire. The average weight of one waste passenger tire is equal to 20 pounds;

(2) "Waste tire generator," a person who produces waste tires in the course of retreading tires or buying, selling, or trading vehicles or tires; and

(3) "Waste tire hauler," a person who transports, at any one time, more than 20 waste passenger tires or passenger tire equivalent weight of other waste tires or transports more than 100 passenger tire equivalent per 12 month period.

Source:

General Authority: SDCL 34A-6-1.6, 34A-6-87.1.

Law Implemented: SDCL 34A-6-1.6, 34A-6-87.1.

74:27:22:02. Transportation of waste tires to a permitted or approved facility. A waste tire hauler may only transport waste tires to an in-state solid waste facility permitted to accept waste tires for processing, storage, or disposal; to a person using waste tires according to §§ 74:27:22:03 and 74:27:22:04; or to an out-of-state facility approved or permitted by the responsible agency of that state.

Source:

General Authority: SDCL 34A-6-1.6, 34A-6-87.1.

Law Implemented: SDCL 34A-6-1.6, 34A-6-87.1.

74:27:22:03 Use of waste tires for structural or construction purposes. The use of loose, baled, or processed waste tires for structural or construction purposes is allowed without obtaining a solid waste storage permit if:

- 1) The construction project is completed within six months of receiving the first load of tires;

- 2) Waste tires not used for the project are disposed of within 30 days of completion of the project and in a manner consistent with this chapter; and
- 3) The use is stated in § 74:27:22:04.

Any tire from a structure that becomes loose or no longer serves its original intended purpose is considered a waste tire and is subject to the requirements of this chapter. Baled tires are considered waste tires until they have been approved for use by the department according to this chapter.

Source:

General Authority: SDCL 34A-6-1.6, 34A-6-87.1.

Law Implemented: SDCL 34A-6-1.6, 34A-6-87.1.

74:27:22:04 Approved uses for waste tires. The use of waste tires is allowed as long as it does not constitute a nuisance. Uses of waste tires for structural or construction purposes are subject to the requirements of § 74:27:22:03.

Source:

General Authority: SDCL 34A-6-87.1.

Law Implemented: SDCL 34A-6-1.6, 34A-6-87.1.

74:27:22:05 On-site storage of waste tires at a waste tire generator's facility. The on-site storage of less than 700 waste passenger tires or 700 passenger tire equivalents or 10 tires whichever is the greatest weight at a waste tire generator's facility may be conducted without a permit if the requirements found in subdivisions (2), (4), (5), and (6) of § 74:27:13:17.01 are met.

Source:

General Authority: SDCL 34A-6-1.6, 34A-6-87.1.

Law Implemented: SDCL 34A-6-1.6, 34A-6-87.1.

Chairman Sweetman declared the hearing closed at 2:30 p.m. CDT.

TOTAL MAXIMUM DAILY LOAD (TMDL) PRESENTATION: Lonnie Steinke, Surface Water Program provided a slide presentation explaining TMDLs. Section 303(d) of the federal Clean Water Act requires states to establish TMDLs for certain waterbodies. TMDL is the amount of pollution a waterbody can receive and still protect water quality. The state must receive EPA approval of all TMDLs developed. A TMDL is a tool used to guide water quality improvement activities. Once a TMDL is established, other tools, such as conservation priority areas, watershed projects, discharge permits, are implemented to make improvements.

Waters targeted for TMDLS are waters where water quality standards are not being met or beneficial uses are not supported, waters which receive municipal or industrial wastewater discharges that need more treatment than minimum federal requirements, or waters which have other documented water quality problems. Examples of water quality issues targeted by TMDLS are waterbodies with excessive nutrient loads, sediment deposition/erosion, unsafe fecal coliform

levels, high ammonia levels from discharges of human, animal, or industrial wastes, and warm temperatures from discharges or poor riparian conditions. Some examples of TMDLs completed and approved by EPA in South Dakota include Firesteel Creek/Lake Mitchell and the Surface Water Discharge Permit for the city of Watertown. Mr. Steinke explained how TMDLs were developed for these two waterbodies.

Mr. Steinke reported that just prior to the deadline for submitting the 303(d) list, EPA received notice of intent to sue by Earthlaw which is a law firm in Colorado representing several South Dakota entities. These are primarily entities from the northern Black Hills who disagree with the 1996 and 1998 303(d) lists submitted by South Dakota. Mr. Steinke said data shows that the streams which were not included on the list are meeting their beneficial uses, so the department did not feel they warranted being included on the list.

Mr. Steinke answered questions from the board members.

DIVISION UPDATE: Steve Pirner, Division Director, provided an update on the following activities: The Earthlaw lawsuits; Brohm Mining Corporation; federal deadline for upgrading underground storage tanks, animal feeding operations, and DENR employees receiving EPA awards.

OTHER BUSINESS: The next board meeting will be September 17, 1998, in the Matthew Training Center, Foss Building, Pierre.

ADJOURN: Motion by Healy, seconded by Hilde, that the meeting be adjourned. Motion carried.

Secretary

Date

Witness

Date

BOARD OF MINERALS AND ENVIRONMENT MEETING

Date 8-20-98

REPRESENTING

Sc/f

DENIL

NEW DEAL TIRE

SD Assoc. 4 Coops

South Dakota Board of Minerals & Environment**August 20, 1998**

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
<i>Release of Liability & Surety:</i>					
Luff Exploration Company Denver, CO	EXNI-391	\$6,336	15585	First National Bank, Pierre	Release liability and \$6,336.
	Sections 5, 6, 7, & 8; T22N-R5E and Sections 31 & 32; T23N-R5E, Harding County				
<i>Transfers of Liability & Release of Surety:</i>					
Dakota Redi-Mix, Inc. Gillette, WY	97-625	\$2,000	594023	Capitol Indemnity Corporation	Transfer liability to Butte County Highway Department. Release \$2,000.
	SW1/4 Section 30; T8N-R7E, Butte County				
Transfer to:					
Butte County Highway Department Belle Fourche, SD	83-6	EXEMPT	NA	NA	
Harold A. Wheeler Custer, SD	94-519	\$500	9279	First Western Bank, Custer	Transfer liability to Pacer Corporation. Release \$500.
	SE1/4 SW1/4 & SW1/4 SE1/4 Section 12 & NE1/4 NW1/4 & NW1/4 NE1/4 Section 13; T4S-R4E, Custer County				
Transfer to:					
Pacer Corporation Custer, SD	88-370	\$20,000	12 03 35	Union Insurance Company	

South Dakota Board of Minerals & Environment**August 20, 1998**

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
Transfers of Liability:					
Aggregate Construction, Inc. Minot, ND	89-382	\$20,000	040 40 95	Great American Insurance Company	Transfer liability to Nissen Brothers.
Transfer to:					
Nissen Brothers Piedmont, SD	92-449	\$500	8940	First Western Bank, Wall	
Art Argo & Sons, Inc. Peever, SD	83-180	\$500	6752	Wilmot State Bank, Wilmot	Transfer liability to Mark Nelson.
Transfer to:					
Mark Nelson Sisseton, SD	98-653	\$1,000	5209606	Dacotah Bank, Sisseton	
Charles F. Watson Belle Fourche, SD	83-85	\$2,500 \$500	19203 19236	Pioneer Bank & Trust, Belle Fourche	Transfer liability to Butte County Highway Department.
Transfer to:					
Butte County Highway Department Belle Fourche, SD	83-6	EXEMPT	NA	NA	

South Dakota Board of Minerals & Environment**August 20, 1998**

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
Transfers of Liability:					
Harding County Highway Department Buffalo, SD	83-66	EXEMPT	NA	NA	Transfer liability to Fisher Sand & Gravel Company.
NE1/4 Except Lot A & Church Lot Section 7; T17N-R10E, Perkins County					
Transfer to:					
Fisher Sand & Gravel Company Dickinson, ND	83-54	\$20,000	0350-45-112425	Employers Insurance of Wausau a Mutual Company	
Perkins County Highway Department Bison, SD	83-91	EXEMPT	NA	NA	Transfer liability to Fisher Sand & Gravel Company.
NE1/4 Except Lot A & Church Lot Section 7; T17N-R10E, Perkins County					
Transfer to:					
Fisher Sand & Gravel Company Dickinson, ND	83-54	\$20,000	0350-45-112425	Employers Insurance of Wausau a Mutual Company	

South Dakota Board of Minerals & Environment**August 20, 1998**

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
Transfer of Liability:					
DOT – Rapid City Region Rapid City, SD	83-10	EXEMPT	NA	NA	Transfer liability to Fisher Sand & Gravel Company.
Transfer to:	NE1/4 Except Lot A & Church Lot Section 7; T17N-R10E, Perkins County				
Fisher Sand & Gravel Company Dickinson, ND	83-54	\$20,000	0350-45-112425	Employers Insurance of Wausau a Mutual Company	
Releases of Liability:					
Harding County Highway Department Buffalo, SD	83-66	EXEMPT	NA	NA	Release liability.
	NE1/4 S1/2 Section 32; T22N-R8E, Harding County				
Pennington County Highway Department Rapid City, SD	83-45	EXEMPT	NA	NA	Release liability.
	NW1/4 Section 27; T3N-R4E, Lawrence County				
Sturgis, City of Sturgis, SD	92-432	EXEMPT	NA	NA	Release liability.
	SW1/4 Section 3; T5N-R6E, Meade County				

South Dakota Board of Minerals & Environment***August 20, 1998***

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
<i>Acceptance of Surety:</i>					
Quinn Construction Rapid City, SD	95-535	\$2,500	55-170049	United Fire & Casualty Company	Accept Surety No. 55-170049 in the amount of \$2,500.
<i>Acceptance of Surety Riders:</i>					
Clausen Construction, Inc. Clark, SD	83-15	\$2,500	58059819	Western Surety Company	Accept rider adding legal description of: E1/2 SW1/4 & W1/2 SE1/4 Section 27; T118N-R54W, Codington County.
Russell Hanks Miller, SD	83-86	\$500	400DS6898	St. Paul Fire & Marine Insurance Company	Accept rider increasing surety to \$1,000.
Lien Transportation Company Aberdeen, SD	84-257	\$10,000	0350-13-130378	Employers Insurance of Wausau, A Mutual Company	Accept rider adding legal descriptions of: NW1/4 Section 12; T122N-R53W and E1/2 of NE1/4 Section 11; T122N-R53W SW1/4 of NE1/4 Section 11; T122N-R53W S1/2 of NW1/4 Section 11; T122N-R53W NW1/4 of SW1/4 Section 11; T122N-R53W, Day County.

South Dakota Board of Minerals & Environment**August 20, 1998**

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
Acceptance of Surety Riders:					
Loiseau Construction, Inc. Flandreau, SD	98-651	\$500	55167135	United Fire & Casualty Company	Accept rider increasing surety to \$4,000 and adding legal description of: W1/2 Section 9; T124N-R54W, Day County.
Rechnagel Construction, Inc. Hurley, SD	83-135	\$10,000	55-122632	United Fire & Casualty Company	Accept rider correcting legal description to: W1/2 NW1/4 Section 5; T97N-R58W, Hutchinson County.
S & H Construction Clark, SD	83-178	\$1,000	700 80 89	Tri-State Insurance Company of Minnesota	Accept rider changing the name of the principal from Gerald Hartley & Glen Schultz dba S & H Construction to Gerald Hartley, Glen Schultz, and Terry Kloster dba S & H Construction.
Exchange of Surety:					
Ogan Construction Blunt, SD	95-538	\$500 \$1,000 \$1,127.77 \$3,000	71051021 71051022 71051025 71051026	Dakota State Bank, Blunt	Exchange CD Nos. 71051021, 71051022, 71051025, & 71051026 for Surety No. 55- 171516, United Fire & Casualty Company, in the amount of \$10,000.

South Dakota Board of Minerals & Environment***August 20, 1998***

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
<i>Exchange of Surety:</i>					
Van Zee Gravel & Construction Platte, SD	83-223	\$20,000	52801	Community First State Bank, Platte	Exchange CD No. 52801 for CD No. 53195, Community First State Bank, in the amount of \$20,000.

South Dakota Board of Minerals & Environment**September 17, 1998**

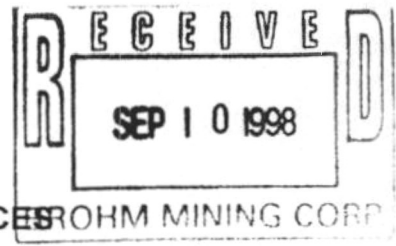
Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
Release of Liability:					
REM Co. Custer, SD	EXNI-380	NA	NA	NA	Release liability.
	Section 9; T1S-R4E, Pennington County				
Release of Liability & Surety:					
Henry Bruch & Steve Bestgen Sturgis, SD	423	\$100	11695	First Western Bank, Sturgis	Release liability and \$100.
	NE1/4 Section 7; T5N-R6E, Meade County				
Transfers of Liability & Releases of Surety:					
Norman & Sons Gravel Sales, Inc. Belle Fourche, SD	93-492	\$1,500	55-167959	United Fire & Casualty Company	Transfer liability to Lewis Reinhardt Gravel, LLC. Release \$2,000.
		\$500	64722	First National Bank, Pierre	
		\$500	65235		
	W1/2 NW1/4 Section 24; T8N-R2E, Butte County				
	SE1/4 Section 31; T9N-R2E, Butte County				
Transfer to:					
Lewis Reinhardt Gravel, LLC Belle Fourche, SD	98-660	\$5,000	55-171436	United Fire & Casualty Company	
		\$1,500	16825	First National Bank, Pierre	

South Dakota Board of Minerals & Environment**September 17, 1998**

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
Releases of Liability:					
Pahapesto Township Carter, SD	97-631	NA	NA	EXEMPT	Release liability.
	E1/2 NE1/4 & SE1/4 Section 31; T103N-R78W, Tripp County				
Todd County Highway Department Mission, SD	83-243	NA	NA	EXEMPT	
	NE1/4 Section 6; T38N-R27W, Todd County				
Tripp County Highway Department Winner, SD	83-89	NA	NA	EXEMPT	
	N1/2 Section 17; T103N-R73W, Lyman				
Acceptance of Surety Rider:					
Lien Transportation Company Aberdeen, SD	84-257	\$10,000	0350-13-130378	Employers Insurance of Wausau, A Mutual Company	Accept rider adding legal descriptions of: All of Section 27; T127N-R64W and E1/2 Section 28; T127N-R64W, Brown County and increasing the surety to \$13,000.

South Dakota Board of Minerals & Environment***September 17, 1998***

Operator	Permit	Surety	Surety No.	Surety Company	DENR Recommendation
<i>Acceptance of Financial Assurance:</i>					
Wharf Resources Lead, SD	356, 434, 435, & 464	\$361,500		Demand Note based on company net worth.	Accept Demand Note based on company net worth.
<i>Request to Reduce Financial Assurance:</i>					
Golden Reward Mining Company, LP Lead, SD	450	\$25,000		Demand Note based on company net worth.	Reduce Demand Note to zero based on Golden Reward no longer using or storing cyanide at the mine site.



AGENDA

BOARD OF WATER AND NATURAL RESOURCES
Floyd Matthew Training Center
523 East Capitol
Pierre, SD
September 23-24, 1998

September 23, 1998

1:00 p.m. CDT

1. Call Meeting to Order
2. Approve Agenda
3. Approve Minutes of July 22, 1998 Meeting
4. Water Development District and Major Project Updates

1:45 p.m. CDT

5. Elk Point Consolidated Grant Amendment Request - Keith Gestring
6. Solid Waste Management Program Funding Decision - Keith Gestring
7. City of Lead State Water Plan Application - Jim Feeney
8. Consolidated Funding Applications - Jim Feeney

2:15 p.m. CDT

9. Section 319 Funding Applications - Tim Bjork

4:00 p.m. CDT

10. Tour Pierre Recycling and Disposal Operations

September 24, 1998

8:30 a.m. CDT

11. Capacity Assessments Presentation - Andrea Griesse
12. Geographic Information System (GIS) Base Maps Presentation - Tim Cowman

9:30 a.m. CDT

13. Consolidated Funding Decisions - Jim Feeney
14. Mid-Dakota Grant Time Extension - David Ryan

10:00 a.m. CDT

15. Set SRF Interest Rates for FFY 1999 - Jim Feeney
16. Approval of John Loucks' Conference Expenses - Jim Feeney
17. Other Business
18. Adjourn

Minutes of the
Board of Water and Natural Resources Meeting

July 22, 1998
2:00 p.m. CDT

Conducted via the
Rural Development Telecommunications Network

Capitol Building
500 East Capitol
Pierre, SD

SD State University
101 Pugsley Center
Brookings, SD

Rapid City Regional Hospital
353 Fairmont Blvd.
Rapid City, SD

Southeast Technical Institute
2301 Career Place
Sioux Falls, SD

CALL MEETING TO ORDER: The meeting was called to order by Chairman Steve Lowrie. The roll was called and a quorum was present.

BOARD MEMBERS PRESENT: Steve Lowrie, Dale Kennedy, Roger Larsen, Gregg Greenfield, and John Loucks.

BOARD MEMBERS ABSENT: Jerry Kleinsasser and Don Bollweg.

OTHERS PRESENT: See attached attendance sheets.

APPROVE AGENDA: Motion by Kennedy, seconded by Greenfield, to approve the agenda. Motion carried.

APPROVE MINUTES OF JUNE 24-25, 1998, BOARD MEETING: Motion by Loucks, seconded by Kennedy, to approve the minutes from the June 24-25, 1998, Board of Water and Natural Resources meeting, as mailed. A roll call vote was taken and the motion carried unanimously.

SOLID WASTE FUNDING DECISIONS: David Ryan noted that in June the board deferred four Solid Waste Management Program funding applications. The department has completed its review of two of